S-4375.1			

SENATE BILL 6770

State of Washington 59th Legislature 2006 Regular Session

By Senators Fraser, Zarelli, Pridemore, Benton, Kastama, Sheldon and Rasmussen

Read first time 01/23/2006. Referred to Committee on Government Operations & Elections.

- 1 AN ACT Relating to the population threshold for counties eligible
- 2 to use the design-build procedure; reenacting and amending RCW
- 3 39.10.051; and providing an expiration date.

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- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 39.10.051 and 2003 c 352 s 2 and 2003 c 300 s 4 are each reenacted and amended to read as follows:
 - (1) Notwithstanding any other provision of law, and after complying with RCW 39.10.030, the following public bodies may utilize the design-build procedure of public works contracting for public works projects authorized under this section: The state department of general administration; the state ferry system; the University of Washington; Washington State University; every city with a population greater than seventy thousand and any public authority chartered by such city under RCW 35.21.730 through 35.21.755 and specifically authorized as provided in RCW 39.10.120(4); every county with a population greater than ((four)) two hundred ((fifty)) thousand; every public utility district with revenues from energy sales greater than twenty-three million dollars per year; every public hospital district with total revenues greater than fifteen million dollars per year; and every port district

p. 1 SB 6770

with total revenues greater than fifteen million dollars per year. The authority granted to port districts in this section is in addition to and does not affect existing contracting authority under RCW 53.08.120 and 53.08.130. For the purposes of this section, "design-build procedure" means a contract between a public body and another party in which the party agrees to both design and build the facility, portion of the facility, or other item specified in the contract.

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- (2) Public bodies authorized under this section may utilize the design-build procedure for public works projects valued over ten million dollars where:
- (a) The construction activities or technologies to be used are highly specialized and a design-build approach is critical in developing the construction methodology or implementing the proposed technology; or
- 15 (b) The project design is repetitive in nature and is an incidental 16 part of the installation or construction; or
 - (c) Regular interaction with and feedback from facilities users and operators during design is not critical to an effective facility design.
 - (3) Public bodies authorized under this section may also use the design-build procedure for the following projects that meet the criteria in subsection (2)(b) and (c) of this section:
 - (a) The construction or erection of preengineered metal buildings or prefabricated modular buildings, regardless of cost; or
 - (b) The construction of new student housing projects valued over five million dollars.
 - (4) Contracts for design-build services shall be awarded through a competitive process utilizing public solicitation of proposals for design-build services. The public body shall publish at least once in a legal newspaper of general circulation published in or as near as possible to that part of the county in which the public work will be done, a notice of its request for proposals for design-build services and the availability and location of the request for proposal documents. The request for proposal documents shall include:
- 35 (a) A detailed description of the project including programmatic, 36 performance, and technical requirements and specifications, functional 37 and operational elements, minimum and maximum net and gross areas of

SB 6770 p. 2

any building, and, at the discretion of the public body, preliminary engineering and architectural drawings;

(b) The reasons for using the design-build procedure;

- (c) A description of the qualifications to be required of the proposer including, but not limited to, submission of the proposer's accident prevention program;
- (d) A description of the process the public body will use to evaluate qualifications and proposals, including evaluation factors and the relative weight of factors. Evaluation factors shall include, but not be limited to: Proposal price; ability of professional personnel; past performance on similar projects; ability to meet time and budget requirements; ability to provide a performance and payment bond for the project; recent, current, and projected work loads of the firm; location; and the concept of the proposal;
 - (e) The form of the contract to be awarded;
- (f) The amount to be paid to finalists submitting best and final proposals who are not awarded a design-build contract; and
 - (g) Other information relevant to the project.
- (5) The public body shall establish a committee to evaluate the proposals based on the factors, weighting, and process identified in the request for proposals. Based on its evaluation, the public body shall select not fewer than three nor more than five finalists to submit best and final proposals. The public body may, in its sole discretion, reject all proposals. Design-build contracts shall be awarded using the procedures in (a) or (b) of this subsection.
- (a) Best and final proposals shall be evaluated and scored based on the factors, weighting, and process identified in the initial request for proposals. The public body may score the proposals using a system that measures the quality and technical merits of the proposal on a unit price basis. Final proposals may not be considered if the proposal cost is greater than the maximum allowable construction cost identified in the initial request for proposals. The public body shall initiate negotiations with the firm submitting the highest scored best and final proposal. If the public body is unable to execute a contract with the firm submitting the highest scored best and final proposal, negotiations with that firm may be suspended or terminated and the public body may proceed to negotiate with the next highest scored firm.

p. 3 SB 6770

Public bodies shall continue in accordance with this procedure until a contract agreement is reached or the selection process is terminated.

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- (b) If the public body determines that all finalists are capable of producing plans and specifications that adequately meet project requirements, the public body may award the contract to the firm that submits the responsive best and final proposal with the lowest price.
- (6) The firm awarded the contract shall provide a performance and payment bond for the contracted amount. The public body shall provide appropriate honorarium payments to finalists submitting best and final proposals who are not awarded a design-build contract. Honorarium payments shall be sufficient to generate meaningful competition among potential proposers on design-build projects.
- (7) The authority provided to the state ferry system in this section is limited to projects concerning construction, renovation, preservation, demolition, and reconstruction of ferry terminals and associated land-based facilities.
- 17 <u>NEW SECTION.</u> **Sec. 2.** Section 1 of this act expires July 1, 2007.

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SB 6770 p. 4